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ABSTRACT

The Youth Employment and Demonstration Projects Act of 1977 (YEDPA) authorizes a variety of demonstration projects to explore different approaches to help youth complete high school and enter the world of work. This report discusses the issues that must be considered in designing action program approaches and outlines the knowledge development plan structured in accordance with YEDPA, which has four major components: Young Adult Conservation Corps; Youth Incentive Entitlement Pilot Projects; Youth Community Conservation and Improvement Projects; and Youth Employment and Training. Provisions for the various parts of these four components are described. It is emphasized that this statement of knowledge development activities is a planning document, designed to test ideas and furnish a foundation for subsequent efforts. (MF)

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A Knowledge Development Plan For the Youth Employment and Demonstration Projects Act of 1977

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1977

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
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KNOWLEDGE DEVELOPMENT PLAN FOR YEDPA

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I. KNOWLEDGE DEVELOPMENT GOALS

Based on the premise that more information and experimentation is needed before developing a long-term youth program, the Youth Employment and Demonstration Projects Act of 1977 (YEDPA) authorizes a large variety of innovative demonstration projects to explore the relative effectiveness of different approaches in assisting economically disadvantaged and other youth to complete high school to enter the world of work, and to achieve job stability and advancement. The Congress purposely provided the Secretary of Labor with discretionary authority for allocating about a fifth of all YEDPA funds. The mandate was clearly expressed:

"Sec. 321. It is the purpose of this part to establish a variety of employment, training and demonstration programs to explore methods of dealing with the structual unemployment problems of the Nation's youth. The basic purpose of the demonstration programs shall be to test the relative efficacy of the different ways of dealing with these problems in different local contexts.

"Sec. 348. (a) (1) The Secretary of Labor is authorized, either directly or by way of contract or other arrangement, with prime sponsors, public agencies and private organizations to carry out innovative and experimental programs to test new approaches for dealing with the unemployment problems of youth and to enable eligible participants to prepare for, enhance their prospects for, or secure employment in occupations through which they may reasonably be expected to advance to productive working lives. Such programs shall include, where appropriate, cooperative arrangements with educational agencies to provide special programs and services for eligible participants enrolled in secondary schools, postsecondary educational institutions and technical and trade schools, including job experience, counseling and guidance prior to the completion of secondary or post-secondary education and making available occupational, educational, and training information through statewide career information systems.

"(2) In carrying out or supporting such programs, the Secretary of Labor shall consult, as appropriate, with the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Director of the ACTION Agency, and the Director of the Community Services Administration.

"(3) Funds available under this section may be transferred to other Federal departments and agencies to carry out functions delegated to them pursuant to agreements with the Secretary.

"(b) The Secretary and prime sponsors, as the case may be, shall give special consideration in carrying out innovative and experimental programs assisted under this section to community-based organizations which have demonstrated effectiveness in the delivery of employment and training services, such as the Opportunities Industrialization Centers, the National Urban League, SER-Jobs for Progress Mainstream, Community Action Agencies, union-related organizations, employer-related nonprofit organizations, and other similar organizations."

It is clear that to fulfill this "knowledge development" mandate, the Secretary must devise a plan which will test a wide range of program approaches, while assuring in design and evaluation that the basic questions underlying youth employment policies will be addressed, and, so far as possible, resolved. It is also important to involve the many agencies and organizations which have played an active role in youth related efforts over the years, and to identify, synthesize and replicate the good things which have been done. Finally, it is vital that the discretionary resources are used, to the maximum feasible extent, to help youths who are in need. Research and evaluation must be integrated into action programs in order to learn while doing.

II. CONSTRAINTS AND CONSIDERATIONS

A variety of issues must be considered in designing a knowledge development plan for the YEDPA.

A. The Programmatic Foundation

In the past, many different programs for in-school and out-of-school youth have been tried under MDTA, EOA, CETA, and other social legislation. YEDPA efforts must build on and be integrated with those program approaches which have demonstrated effectiveness. However, since YEDPA represents a major new source of funds, and since other resources have grown slowly in the 1970's, there are pressures to simply substitute YEDPA dollars for others. While one aim is to provide the knowledge base for more comprehensive youth employment policies, another is to avoid locking resources into an operational mode such that it would be difficult to transfer them in the future to approaches which prove effective. Thus, to make the programs work best, it will be necessary to utilize many existing delivery mechanisms, but at the same time, to seek to assure that the efforts are seen as new, different, and not necessarily permanent.

It will also be necessary to test different techniques for nurturing and replicating the successes under the diverse demonstrations. In the 1960's, many unique and valuable experimental findings were lost because of the lack of techniques for assessing performance and disseminating and building on the lessons. At the other extreme, there were in some cases attempts to build national programs from isolated demonstration projects or even untested concepts without careful analysis of all the factors involved.

B. Limited Staff Resources

At the Federal, regional and local government levels, staff resources are extremely limited. Only a handful of people at the national and regional offices will be available to design, implement and operate what are, in many cases, untried ideas and delivery approaches. Research and experimentation are by nature very labor intensive. It is difficult to meet knowledge development goals when resources are scattered over myriad

projects. Some outside staff resources for research and evaluation must be secured. Research aims must be carefully structured and the results subsequently integrated to cut down on wasted motion.

C. Program Diversity

The objectives of YEDPA are quite complex. There are a range of target groups to be served including in-school/summer youth, out-of-school youth, the economically disadvantaged as well as the non-disadvantaged. There are a variety of approaches to be explored, including residential and non-residential conservation work on public lands, work/training in community improvement and other areas, work/training plus comprehensive support services for career development, subsidies to private-for-profit employers, and opportunities for youth under jurisdiction of the criminal justice system. This overall program diversity, combined with the national spread of funds allocated by formula, is a significant burden both administratively (in distinguishing programs from one another--many will be labeled simply "work experience"), and technically (in systematically assessing the relative effectiveness and impact of differing programs for various target groups).

D. Consultation and Coordination

To facilitate learning from past program experience, nurturing new worthwhile ideas and setting relevant and attainable research aims and procedures, it is important to coordinate YEDPA efforts with those elsewhere in the Department of Labor as well as those of many other agencies. These include HEW, HUD, LEAA, ACTION, Agriculture, Interior, and the new Department of Energy. Community-based and public interest groups, unions, as well as private foundations, must be involved along with State and local government officials and program managers.

E. Time Frames

The Young Adult Conservation Corps (YACC) was authorized by Congress through FY 1980. However, the other YEDPA programs, which account for about 75 percent of total funds appropriated for FY 1978, were authorized only through FY 1978.

Clearly, the knowledge development objectives of YEDPA must be achieved both in the short and longer terms. Congress will want to know early about (a) the feasibility of and processes in establishing large scale efforts for in-school youth and returning dropouts, (b) the number and characteristics of youths enrolled in programs and of those rejected, (c) the kinds of work being performed by youth, and training and other services being provided to them, (d) the length of stay in programs and reasons for termination, and (e) the costs of various approaches.

In the long run, research and evaluation efforts aimed at distilling "what works best for whom under what conditions" will have to measure the outcomes of programs in terms of (a) the value of the work produced by enrollees, (b) effects of program opportunities, if any, on school completion and youth employment, (c) relative cost-effectiveness of different program approaches for similar target groups, (d) comparative outcomes for enrollees and comparable non-enrollees, i.e., the net impact of and cost for various programs, and (e) anticipated program costs for national replication.

It should be noted that YEDPA was enacted as a job creation component of the Administration's economic stimulus package. Action must get under way as quickly as possible. There is a tradeoff between careful research design and rapid implementation to maximize economic impacts. The four-fifths of YEDPA resources which are not discretionary must be committed immediately, while the demonstration efforts must be underway soon thereafter.

F. Research Limitations

Experience with social research and experimentation has suggested some of the inherent constraints:

First, new programs take time to launch and jell. Early activities are influenced significantly by startup limitations and the need to develop new capabilities.

What initial studies can do is identify who is enrolled, the services they receive, the immediate outcome on termination, and the "correctable" operational problems which arise can tell how participants or others regard the program and what they see as its immediate benefits or shortcomings. They can indicate the practicality of some designs and point up issues not adequately perceived beforehand. They cannot, however, tell how much modifications or improvements will yield (until they, in turn, are implemented and studied). And, they cannot determine long-run impacts.

Second, efforts to track post-program effects on participants require considerable time. For participants entering a 1-year program, measurement of experience in the year after leaving, allowing for followup interview and analysis time, requires some 2-1/2 to 3 years after entry before reliable conclusions can be reached. Particularly for youth, the concern is with even longer-run impacts. It takes five to ten years for the "lasting" effects of program interventions to surface, as youths mature into adult workers.

Third, estimation of the impacts on participants requires a comparision group to indicate what would have happened otherwise. This is especially true for youth, whose employment and earnings tend to improve rapidly with each passing year. Development and tracking of a comparison group is technically difficult, costly, and often has not yielded reliable results. It is especially difficult to find a good comparison group for youth, because the track record in the labor market and elsewhere is so limited and the future options are so variable.

There are additional problems of sample size and reliability if, as is likely with the general expansion of youth programs, a large proportion of youth in the comparison group end up in some program and no longer represent what happens in the absence of "program treatment."

Fourth, cost-benefit analyses, to determine if benefits of programs expressed in monetary terms exceed the costs, are attractive in principle but difficult in practice. Estimates of benefits depend very greatly on such assumptions, as whether earnings improvements accelerate, stabilize, or recede over 25 years of adult worklife. There are issues too as to whether and how to combine multiple benefits, and difficulties in developing monetary measures to reflect such results as reductions in youth street crime.

This does not mean that nothing can be learned. It merely suggests that knowledge building is incremental and laborious. There are rarely any quantum leaps in social research and experimentation, and it is unlikely that any panaceas will be discovered. However, the quality of the research strategy and its implementation can have a major impact on the amount of progress which is made. In the 1960's, there were a wide range of experimental and demonstration efforts. Both the successes and failures provided many useful lessons. However, in this explorative stage, it was difficult to structure these efforts so the results could be synthesized, the problems avoided in the future, and the successes replicated.

Our knowledge has advanced, but to move further, it is necessary to more carefully integrate research and demonstration efforts into a comprehensive plan structured to solve predetermined theoretical and policy issues.

III. A STRATEGY

There are a vast array of unanswered questions about the career development, employment and training experience of youth and the effectiveness of government interventions. It is necessary to establish priorities at the outset.

A first priority is to assess what has been and is being learned. There have been diverse research, demonstration, and evaluation efforts over the years funded by a variety of agencies and carried out by a multitude of organizations. It is vital to identify and synthesize the results. Many communities have launched "innovative" efforts, but there is no way to determine at the national level what is being done where, and what works most effectively.

A. Priority Issues

Based on a preliminary survey of research results and activities, priority issues must be decided. The following have resulted from the Office of Youth Programs' analysis:

1. Does school retention and completion increase the future employability of potential dropouts and the disadvantaged, and is subsidized temporary employment a mechanism for increasing school retention and completion?

2. Can the school-to-work transition process be improved? This involves several related questions. Are new institutional arrangements feasible and warranted? Will increased labor market information and assistance expedite the transition? Can employer subsidies and other private sector approaches create new transition routes?

3. Work experience has become the primary emphasis of youth programs. Jobs are to be "useful" and "meaningful" i.e., having both a worthwhile output and an impact on future careers. Are the jobs productive? Which ones are most "meaningful" and how can they be identified?

4. Does structured, disciplined work experience, have as much or more impact on future employability than other human resource development services or a combination of services and employment?

5. Are there better approaches or delivery mechanisms for the types of career development, employment and training services which are currently being offered?

6. To what extent are short-run interventions and outcomes related to longer-term impacts on employability during adulthood? Put in another way, how do public interventions affect the maturation and development process?

7. What works best and for whom? This is a perpetual and critically important question of matching services with needs. To answer this, it is first necessary to develop a set of performance or outcome standards which determine what does and does not work. The second step is to try to determine who realizes these benefits under which programs and approaches

8. What are the costs of fully employing youths? Unemployment rates for youth are of questionable meaning because of the substantial number of "discouraged" individulas who are outside the labor force but would seek work if they thought it were available. Many other youths are employed at low wages and would be attracted to minimum wage jobs. Others are working less than the desired number of hours. It is important to determine the extent of the job deficit and the costs of eliminating it.

B. The Tools

The tools to resolve these issues include the following:

1. Surveys and syntheses of past research, evaluation and demonstration efforts.

2. Inventories of existing projects and determination of those with exemplary results or approaches.

3. Theoretical and quantitative analysis.

4. Basic research surveys, such as longitudinal analyses of employment and school-to-work transition patterns.

5. Demonstration projects to test new ideas.

6. Large-scale structured social experiments.

7. Programmatic performance assessments and process evaluations to determine operational effectiveness.

8. Tracking of participants to determine the net impact of program intervention by comparing program participant outcomes with the experiences of similar nonparticipants.

The following plan is structured to use these various tools to help resolve the basic policy issues within the contraints which have been enumerated.

IV. THE PLAN[1/]

The knowledge development plan is structured in accordance with YEDPA, which has four major programmatic components: the Young Adult Conservation Corps (YACC) which employs youth in conservation work, Youth Incentive Entitlement Pilot Projects (Entitlement) which guarantees employment to youth returning to or staying in school, Youth Community Conservation and Improvement Projects (Community Improvement) which employs youth in neighborhood restoration and maintenance, and Youth Employment and Training (YET), which provides a spectrum of manpower services to the disadvantaged. The Entitlement program is structured by law as a large-scale demonstration in a few locations. Under the Community Improvement and YET programs discretionary funds are provided for demonstration, evaluation, and research. The aim is to learn as much as possible from the formula-funded operational programs as well as the special projects established with discretionary resources.

A. Young Adult Conservation Corps

The purpose of YACC is to provide employment and other benefits to youth age 16-23, who would not otherwise be currently productively employed, through a year-round residential or nonresidential program of useful conservation work to maintain and improve public parks, forests, and recreational areas, both Federal and non-Federal.

Of the $1 billion now available for YEDPA programs, $233 million is for YACC which is, through interagency agreement with DOL, administered by the Departments of Interior and Agriculture. If a supplemental appropriation of $500 million is provided for youth programs, overall YACC funds may be increased to $350 million.

1/ This outline of knowledge development activities is a planning document. It represents the Office of Youth Program's strategy in the early stages of implementation. Elements of the knowledge development effort are certain to change. In broad outlines, however, it is hoped that this plan will provide the foundation for subsequent efforts.

Knowledge concerning YACC will be gained from monitoring reports on program operations prepared by the Departments of Interior and Agriculture pursuant to their interagency agreement with the Department of Labor. These reports will include information on enrollment, termination, and expenditure experience, as well as estimates of the value of the work performed. Additionally, however, independent evaluations will be needed to assess various program processes and to measure the economic and noneconomic impacts:

1. Economic Impact

   The study will focus on the net effect of the program on participants' labor force status, employment, earnings, and other related measures in the initial months after their termination from the program, comparing the effects of the YACC program to those of other employment and training programs for similar target groups.

2. Noneconomic Impacts

   In determining noneconomic impacts, the study will concentrate on:

   a. the validity of the work value measures established for the YACCs.

   b. the effect on participants' relationship with their family and community.

   c. the extent to which YACC influences the participants' receipt of transfer payments, level of criminal behavior, enrollment in school or college and enlistment in military service.

   d. the effect of YACC on the attitudes and motivation of participants.

3. Process Evaluation

   The study will analyze key practices and experiences, continuing problems, and emerging issues concerning various administrative mechanisms established by the legislation, including:

   a. the interagency agreements between the Departments of Labor, Agriculture, and Interior.

b. the referral of enrollees by Labor to Agriculture and Interior.

c. the selection of sites after consultation among the three agencies.

d. the arrangements for academic credit to be worked out with HEW.

e. the consultations with affected Governors, and State and local officials.

It will also review past experience with the Civilian Conservation Corps (CCC) during the New Deal and the Youth Conservation Corps more recently.

B. Youth Incentive Entitlement Pilot Projects (Subpart I, Title II, YEDPA)

The Entitlement program guarantees a job and/or training (part-time during school year/full-time in summer) for all economically disadvantaged 16-19 year olds who (1) reside in selected geographic areas, (2) are already in school or returning to school, and (3) apply for this opportunity to which they are entitled. The primary objective is to encourage high school retention, return and completion which, combined with useful work experience and other services, will hopefully improve future labor market success.

Congress did not require that funds for Entitlement projects be allocated to States and or prime sponsors by formula. Instead, the Secretary has discretionary authority to determine how many projects are to be established and where they should be located.

However, the Act clearly seeks to mount such efforts on a project scale which will test the feasibility and costs of implmenting the program nationwide. The estimated costs of Entitlement dictate that within the funding levels, only a few such saturation projects can be launched. On the other hand, there are a variety of innovative ideas which are to be tested, requiring a number of discrete demonstrations if their impact is to be isolated.

The knowledge development plan, therefore, calls for a two tier project approach:

First-tier projects: The primary effort will involve a few (4-6) saturation projects of sufficiently large scale and basic format, and with rigorous experimental design to test the efficacy of Entitlement under differing socio-economic, regional and governmental circumstances.

A fundamental concern to be addressed in analyses of first-tier projects is whether and how Entitlement projects are feasible for entire sponsor jurisdictions, the probable costs of such programs, and the scope and nature of jobs which would be created. The impacts on labor markets and school completion and retention rates will be assessed carefully.

The research/evaluation effort for first-tier projects will also involve long-term tracing of labor market and other experiences of samples of youth who participated in Entitlement projects, and analyses to compare outcomes for these youth with those for appropriate comparison groups. To insure that first-tier projects are operated in accordance with the technical rigor and other conditions specified by the experimental design, a careful selection of sites must be made from among the many which might like to participate. Pre-applications will be solicited nationally from CETA prime sponsors in such a way to insure that only areas with commitment and demonstrated competence will apply. An assessment will be made of these pre-applications by an objective, balanced interdisciplinary team, to select a set of more promising applicants who will be given planning grants. Based on the applications and site visits, a final selection of projects will be made.

The best mechanism for the development of selction information and the organization of the selection process is the Manpower Demonstration Research Corporation created by an interagency agreement among Federal Departments and operated as a non-profit interdisciplinary, research and demonstration mechanism, MDRC has performed admirably in its primary mission of testing the supported

work concept and has extended into other areas. It is ideally suited to serve as the agent for establishing and guiding first-tier projects, and completing the necessary analyses to assess the efficacy of the Entitlement approach.

Second-tier projects: Several (8-10) small scale projects will supplement first-tier projects by widening the range of new and improved program approaches, methods, and techniques to be explored and demonstrated. For instance, projects might be funded which put special emphasis on attracting unwed mothers back to school, or which would utilize nontraditional education. Second-tier projects will be selected on a competitive basis in the same manner as those for Tier I, with somewhat greater emphases on their innovative features.

Studies of second-tier projects will focus on key practices, continuing problems, emerging issues, how-to-do-it guides, progress in facilitating return to school, and retention in and completion of school. Outside evaluation will be more qualitative than quantitative. Knowledge developed by studies of second-tier projects will compliment the findings of the more rigorous analyses of first-tier projects. To insure this, the same outside organization to be used to conduct research of first-tier projects will oversee the process evaluation type studies of second-tier projects. The use of a single analytic outside group for all Entitlement projects will facilitate periodic reporting of selected data from all projects in order to be responsive to the various day-to-day demands for program information.

Of the $1 billion currently available for YEDPA programs, $115 million is for Entitlement projects. Approximately $100 million will be used to finance the 4 to 6 large scale first-tier projects and about $10 million will be needed to finance the 8 to 10 smaller scale second-tier projects. The remaining $5 million will be used to finance special research and monitoring activities. Should the requested supplemental appropriation of $500 million be provided for youth programs, $57.5 million might be available for Entitlement projects and these funds would be used to significantly expand the number of second-tier projects and related studies.

C. Youth Community Conservation and Improvement Projects

Community Improvement projects are to provide unemployed 16-19 years-olds, who are either in-school or out-of-school, with employment, work experience, on-the-job skill training, and opportunities to help their communities. Projects to be conducted could include, but are not limited to, improvement of public facilities, neighborhood improvement, weatherization and housing repairs, energy conservation, and conservation, maintenance and other work on public lands.

Of available funds for Community Improvement, ($115 million out of $1 billion) 79 percent is to be allocated by formula among the States and other designated recipients, including sponsors of Indian and Migrant programs, and will support approved projects to be operated by prime sponsors. The remaining 21 percent of funds is to be allocated at the Secretary's discretion. Knowledge development efforts focusing on these projects will be undertaken as follows:

1. Formula-funded projects. Knowledge of the problems and progress of Community Improvement will be obtained through three primary sources:

   (a) monitoring reports on project operations prepared by regional and national office ETA staff.

   (b) reporting systems which will require sponsors to periodically account for participant characteristics, enrollment levels, termination data, and expenditures.

   (c) a process evaluation which will identify and report on practices, problems, issues and progress of operations for a national sample of projects. This effort will be a part of a broader process study which will also examine the formula-funded programs under YET.

2. Discretionary Efforts

   Depending on the overall appropriation for youth programs, the Community Improvement discretionary funds will be $24 to $36 million. These funds will be divided among several special demonstration projects. The first demonstration project will be a special effort to replicate in 5-10 communities around the country a selected Community Improvement program model drawn from a review of both appropriate past programs and designs of projects financed through the formula allocation for Community Improvement.

This program replication demonstration project will be undertaken by a nonprofit corporation, established under private foundation auspices, staffed with individuals with particular experience and expertise in the area of community conservation and improvement work. This corporation will have an interdisciplinary board of directors drawn from business, labor education and community service. In addition to identifying a program model worthy of replication, the nonprofit corporation will be responsible for selecting project sites from among competing CETA prime sponsors, planning and establishing projects, monitoring project implementation, evaluating outcomes of the projects, and conducting selected research for expanding knowledge regarding the effectiveness of the Community Improvement approach.

The underlying objectives of this demonstration project are:

(a) to demonstrate and test the feasibility and effectiveness of a replicating methodology itself (i.e., how and under what conditions can the program model be adequately replicated in various communities).

(b) to develop and refine a "work evaluation" methodology which may eventually be incorporated into the formula-funded Community Improvement type efforts.

(c) to compare the post-program experiences of youth participating in the replicated projects (which will mainly provide job experience) with those for a comparable group of young people of similar backgrounds who have participated in other manpower programs (which have emphasized classroom training, manpower and support services) in the same localities.

The second demonstration project will explore the feasibility and value of utilizing neighborhood-based Community Development Corporations (CDCs) for planning and running Community Improvement efforts. Funds would be transferred from DOL to HUD, and HUD would channel the funds to CDCs. The major areas of knowledge development to be addressed would include determining whether:

(a) CDC's can more effectively link youth Community Improvement efforts to other funding sources and, if so, whether there is a multiplier effect reflected in project outcomes;

(b) CDC's can facilitate particular productivity by youngsters which is not generated by formula-funded projects; and

(c) the nature and value of project accomplishments have distinctive qualities which distinguish the CDC efforts from those of formula-funded projects.

The Community Improvement discretionary funds transferred to HUD would be used to finance a few concentrated projects. HUD would contract for an independent study of the projects which would include a process evaluation of practices, problems, and progress, and would include appropriate research analysis to compare the HUD/CDC effort to that of a sample of formula-funded Community Improvement projects on selected performance variables. The research agenda and projects design would be carefully detailed in an interagency agreement between the Departments of Labor and Housing and Urban Development.

The third community improvement demonstration project will explore the feasibility of federal interagency work projects. Arrangements will be pursued with the Departments of Transportation, Housing and Urban Development and Commerce (Economic Development Administration) to link community improvement youth employment funds with other activities. The aim will be to package a few large projects to see whether this approach can provide an option to the decentralized administration implicit in the community improvement formula-funded program. It will test interagency cooperation and the feasibility of developing projects quickly which can absorb large numbers of youth. First priority will go to developing linkages between DOT and DOL for roadbed improvement efforts in areas of severe unemployment.

D. Youth Employment and Training Programs

Youth Employment and Training programs authorized under YEDPA are for a broad variety of efforts to enhance the job prospects and career opportunities of in-school and out-of-school young people. In addition to useful work experience opportunities, the Act authorizes on-the-job, institutional, and other training as well as services such as outreach, counseling, occupational information, education-to-work transition, job restructuring and child care.

Of available funds for YET, 85 percent ($537 million of the initial $1 billion appropriation) is to be allocated by formula to States, local prime sponsors, and sponsors of Indian and migrant projects, and the other 13 percent of funds is to be used at the Secretary's discretion for carrying out innovative and experimental programs to test new approaches for dealing with the unemployment problems of youth. Knowledge development efforts focusing on YET will be undertaken as follows:

1. Formula-funded projects. Knowledge of problems and progress of formula-funded projects for YET will be obtained through four primary sources:

   (a) monitoring reports on project operations prepared by regional and national office ETA staff;

   (b) reporting systems which will require sponsors to periodically account for participant characteristics/enrollment levels/termination data/expenditures;

   (c) a special study (process evaluation) to identify and report on practices, problems, and progress of areas; and

   (d) special evaluations of State youth efforts under the 5 percent formula-funded segments, and studies commissioned by DOL's Office of National Programs to assess Indian and migrant programs.

2. Use of Discretionary Funds

   YET discretionary funds ($70 million at the $1 billion appropriation level) will be used to finance a number of special studies and projects, including the following:

   (a) Youth Service Demonstration Project

   A demonstration project will be undertaken through ACTION to develop and test the concept of a National Youth Service Corps, and will be modeled on the more successful experiences of various volunteer efforts. Exploration of "Youth Services" as an additional life cycle alternative for out-of-school young people interested in "meaningful" community services is conceptually relevent to the basic intent of YEDPA. The efficacy of having this concept implemented on a "saturation" basis in a particular

sizable urban community will be tested. Exploration will be made of the procedures for implementing such an effort, non-CETA resources which can be linked with supplemental funds and services, and the nature and scope of jobs which can be created.

ACTION will provide the staff for an evaluation of the Youth Service Demonstration Project. The evaluation will be designed and monitored by an independent review panel. This study will be a process-type evaluation of practical problems and progress, but will also include appropriate research analyses which compare the ACTION demonstration effort to that of appropriate formula-funded efforts under YET on selected performance variables.

(b) Education Entitlement Voucher Demonstration Project

Most of the new program initiatives to be undertaken under YEDPA focus on providing an employment experience for young people as a means of enabling them to complete their secondary school education and/or prepare for subsequent entry to regular nonsubsidized employment. Many youngsters will be motivated by their work program experience to aspire to seeking advanced skills through post-secondary (or continuing secondary) education. However, financial need will be a major obstacle to meeting the cost of tuition, books, etc. To address this situation, a demonstration project will be undertaken to explore the feasibility and value of applying the "GI Bill" concept through an "Education Entitlement Voucher" to youth participants in selected employment and training programs.

This demonstration project would seek to identify (1) the merits of alternative procedures for providing the Education Entitlement Voucher--e.g., setting credits based on each month of program participation, financial contribution/matching by participants as a deduction from stipends in the course of program participation, etc., (2) the various ways vouchers are perceived by youth program participants, and (3) how and to what

extent youth choose to utilize the vouchers in furthering their education skills. The contractor selected to conduct this demonstration project would have to have special abilities needed to work cooperatively with a variety of operating youth programs, understanding of the available knowledge stemming from use of the GI Bill and from various special other "voucher" projects undertaken in recent years, and capability for complex analytical work to identify the relative efficiency and effectiveness of various methods of application of Education Entitlement Vouchers.

(c) Exemplary In-School Programs Demonstration Project

Under the formula-funded programs for YET, there is a 22 percent set-aside of funds for in-school programs. As a means of encouraging innovation in these in-school programs, a special demonstration project will be undertaken as a mechanism for providing national recognition and financial reward to selected exemplary projects. This demonstration project will enable ETA to identify and promote program models which are selected by an independent panel of experts with interdisciplinary capability and particular knowledge of the problems of secondary school students in completing school and making transition to the world of work.

Proposals would be solicited from schools through CETA sponsors for the expansion and support of exemplary in-school programs already underway. The effectiveness and innovative use of YET formula funded in-school monies, and linkages with other community resources, will be among the criteria used in project selection. Tentatively, three primary areas of focus would be adopted:

(1) model programs relating to the application and dissemination of occupational information;

(2) in-school projects to retain, attract, and give special attention to high dropout potential youth including unwed mothers, the disabled and youths with social problems; and

(3) efforts to provide academic credit for work experience and to integrate employment and the curricula.

A temporary nonprofit body would be constituted to provide technical assistance to the recipients of model project grants. This organization would study the funded projects, preparing "how-to-do-it" guides for other areas and serving as a nexus for coordinating in-school employment related efforts.

(d) Career Oriented Alternative Education Demonstration Projects

One of the most carefully studied and demonstrably successful models for career education of dropouts and potential dropouts is the Career Intern Program (CIP) funded by the National Institute of Education and operated in Philadelphia by Opportunities Industrialization Centers of America. The fundamental aims, which are also those of the YEPDA, are to improve career oriented education and to foster school completion.

Because this is a project of demonstrated merit recommended by HEW, because it is operated by a community based group, and because it shares the goals of the YEDPA, the CIP approach deserves to be tested in several other localities. Operating costs for serving 200 interns are roughly $500,000 annually, with additional start-up costs (though reduced by the initial experience of CIP). The model might, therefore, be tested in four additional sites through a joint venture with the NIE, DOL and OIC. It would be important to rigorously analyze the outcomes as was done in the case of the initial demonstration.

(e) Private Sector Initiatives for Youth

A demonstration project will be undertaken to study and test four separate approaches to increasing employment opportunities for youth in the private sector:

(1) Direct employment subsidies will be provided for each disadvantaged youth hired.

(2) Training cost subsidies similar to those under the JOBS-contract program will be tried, with varying levels of subsidy and specification.

(3) Apprenticeship subsidies for smaller employers to hire and train youths similar to those tested in the Community Services Administration's exemplary Open Roads project will be further tested.

(4) Entrepreneurship options for youths which have been developed in some localities will be carefully demonstrated and tested.

While the YEDPA clearly articulated the Congressional desire to test such private sector approaches, there are problems mounting demonstration efforts within the constraints of the law. Special arrangements will have to be made. Business and labor concerns must be carefully considered, and the activities must be structured as an experiment with the results objectively assessed.

One approach would be to establish a temporary non-profit corporation to administer the private sector demonstration project. It would be staffed and administered by individuals with recognized experience and expertise in the structure and workings of unions and private-for-profit employers, as well as in action research. Such a corporation would be responsible for planning and implementing the proposed demonstration efforts, and for monitoring and evaluation. Its board of directors would include representatives of industry, organized labor and the academic community.

Another approach would be to operate directly from the Department of Labor, utilizing its established business-labor advisory groups. Alternately, a joint venture might be undertaken with the Department of Commerce, or an existing "neutral" nonprofit group might be funded.

(f) School-to-Work Transition Demonstration Projects

(1) The Department of Labor has supported the establishment of 21 Education and Work Councils, and has funded the National Manpower Institute and the American Association of Junior and Community Colleges to provide technical assistance and to assess the effectiveness of these groups. Improvement of the school-to-work transition process is one of the functions of Youth Advisory Councils under the YEDPA. The discretionary funds will be used to continue the existing Education and Work Councils and to provide technical assistance to Youth Advisory Councils seeking to improve local institutions. An independent onsite investigation will supplement NMI and AAJCC reports to determine progress to date. Analysis of these and other school-to-work activities will be prepared by the staff of the Office of Youth Programs.

Additionally, agreement has been reached with the National Institute of Education to cooperate in a comprehensive multi-year evaluation of school-to-work transition institutions and their effectiveness.

(2) A variety of agencies have been involved in providing school-to-work transition services including secondary schools, the federal/state employment service and community-based organizations. Services include counseling, activities to overcome sex stereotyping, presentation of occupational information, placement, job-development and follow-up. A variety of institutions and approaches will be adopted under YETP. While the results of YETP will provide some lessons about the effectiveness of such services and the comparative success of different deliverers, it will be difficult to disentangle the many variables. A more carefully structured demonstration project is needed to assess differences in approach and their effectiveness.

Discretionary funds will, therefore, be used to fund alternate delivery agents to implement projects in several areas each. Standardization

of target groups, expenditure levels, testing and reporting procedures will allow a refined estimate of comparative effectiveness. The analytical requirements will be built into the grants to the delivery agents, but an outside evaluation will be used to more carefully and objectively assess the outcomes.

(g) Service Mix Alternatives Demonstration Projects

It is possible that some of the anticipated demonstration and research projects in this ambitious agenda will not be realized. In this case, it is important to have a readily implementable program which will benefit youth in need and yet will realize knowledge development objectives. Two alternative treatment models will be developed for out-of-school disadvantaged youth: one which provides subsidized employment plus a variety of manpower activities and support services and a second which concentrates primarily on the work experience alone. Cost levels would be equal for the two and the basic components and eligible applicants specified in detail. CETA prime sponsors would be selected to operate the two with random assignment of participants and equal placement efforts. Federal funds would be provided for the operations and for a two year, locally-designed followup evaluation. The paired models would be implemented in as many areas as feasible with available funds. These locally-run, but federally-funded experiments would indicate the extent to which services other than direct work experience contributed to future employability.

(h) Assessment of Youth Perspectives

One of the major gaps in knowledge about youth programs is uncertainty about the perceptions of those who participate. Many of the approaches and theories which underlie career development, employment and training efforts have remained unchanged for decades. They may have been misdirected in the first place relative to the needs and capacities of youth, but certainly the changes which have occurred in our social and educational systems should

have generated some substantive revisions. In all programs, the views of participants should be solicited, but this is an especially critical need relative to youth, who have had little direct involvement.

Youth involvement will be promoted at all levels under YEDPA. Locally, youth will participate in youth advisory councils, and prime sponsors will be asked to solicit the views of participants and will be urged to employ youth in the delivery of services so far as possible. Youth staffing will be a precondition in conducting all evaluation studies, and these must all place a heavy emphasis on the experiences of the youth participants. The national staff will be supplemented by youth workers.

In addition, discretionary funds will be used to establish a "participant/observer Youth Group" with a balanced representation of young persons who are currently enrolled or have recently been enrolled in youth programs. Through periodic meetings and communications, this group will keep the Department of Labor informed of the views of those who are intimately involved in the programs. Supplementing this, special workshops or conferences will be held to solicit the views of youth on how the programs and services can be improved, and to encourage their participation at the local level.

(i) Evaluations of Formula-Funded Projects

(1) A process evaluation is necessary to monitor the design and implementation of Community Improvement and YET and their coordination with other existing programs. Particular attention must be addressed to potential problems such as substitution of YEDPA funds for those already being spent, wage issues and how they will be resolved, and the extent that targetting is being met.

The degree of local planning, coordination and innovation must be determined, including assessment of the effect of LEA-CETA agreements. The best way to secure this information in a timely fashion is a set of case studies covering a range of geographical areas and a mix of governmental units and economic conditions.

(2) To evaluate program impact on participants, the Continuous Longitudinal Manpower Survey (CLMS) will be expanded to include YEDPA participants. It would determine in detail their characteristics and background, duration of enrollment, perceptions of their work and services received and what they see as the benefits they gain, and their early postprogram experience, that is, the extent to which they stay in or return to school and their employment and earnings history. Tentatively, the annual CLMS sample would be 1,500 for the Community Improvement Program and 2,000, for YET (because of its broader age range and income group variation), with 3 interview waves, a baseline one in the quarter after enrollment, a followup approximately 7-10 months after enrollment, and a second followup 16-19 months after enrollment.

(J) Special Studies

A variety of special studies will be necessary to meet the diverse knowledge development needs of the YEDPA. These would include the following:

(1) Measuring and Analyzing Youth Employment Problems

It is necessary to better estimate the impact of the YEDPA and other youth activities on the employment problems of youth, since the new act is part of the economic stimulus package and since a basic intent of all youth programs is

to mitigate their structural employment problems. We know very little about the meaning of labor market measures as they apply to youth. Surveys of teenagers yield unemployment estimates substantially higher than surveys of household heads. Discouragement statistics exclude youths who are in school even though they may want a job currently. Over geographical areas, the measured rates of teenage unemployment and their relationship to adult rates, may vary for a number of reasons other than the need for jobs. The allocation formula for youth funds must rely on a number of proxies for adequate needs measures. Further, youth participants in the expanding programs may or may not be counted among the unemployed depending on the types of activities.

A first step in knowledge development is to strengthen the theoretical base and to resolve measurement uncertainties. An integrated set of basic research must therefore be carried out, including the following:

a. Working with the National Commission on Employment and Unemployment Statistics, the Office of Youth Programs will fund a conference on "Employment Statistics and Youth" to provide an overview of the issues;

b. a series of theoretical analyses would be commissioned to present different views of the youth labor market and the school-to-work transition;

c. the long-term institutional, social and economic factors affecting the youth employment statistics would be assessed with baseline projections about the future; and

d. the impact of government intervention in the short and long-run would be analyzed in one or more basic studies;

e. the special problems and needs of minorities and women will be examined in a variety of ways. Conferences will be organized to assess the employment situation for nonwhite youths and the effectiveness of various interventions. Research grants will be awarded for studies of the special difficulties of Spanish-speaking youths and Indians. A conference will be organized also to assess the particular needs of females and their participation in employment and training programs.

(2) Work Assessments

A "virgin territory" of manpower research is the output of work programs. There have been some attempts at evaluation under the supported work experiment, and a few dated assessments of job supervision and discipline under summer employment programs by GAO, but overall, little is known about the hundreds of thousands of jobs being filled by youth. Since work experience plays such a central role in youth efforts, it is important to try to narrow the range of uncertainty about the value of output so that the products of young workers will offset the costs of youth programs as much as possible.

In addition to output and work valuation studies undertaken as part of previously discussed demonstration and evaluation efforts, the following activities would be needed:

a. Theoretical work on output valuation tools.

b. Attempts to assess in what job settings and organizational arrangements youth are most productive relative to adult workers.

c. Careful assessment of "meaningful" jobs to determine their relationship to career expectations and development.

d. Assessment of skills and competencies gained in different job settings.

(3) Performance Measures. A wide range of services and approaches are authorized under YEDPA, with differing intended impacts on participants. Where placement rates may be a good performance indicator in programs serving adults, it is obvious that they cannot be the sine quo non under youth programs. There is a great deal of uncertainty about the desired outcomes and the ways to measure them. Some work has been done under a recent Job Corps noneconomic impact study to develop tools for noneconomic impact assessments. Some materials have also been designed for work experience programs. However, much more is needed. The efforts would include:

a. the development of output valuation methodologies mentioned above;

b. determination of methods for distinguishing between career potential or "meaningful" placements and dead-end jobs;

c. developing the best means of assessing maturation and improvement in job readiness;

d. determining means of assessing improvements in occupational awareness;

e. assessing whether job placements and training are in the types of opportunities participants could have realized on their own; and

f. developing methods for determining whether high school dropout and completion rates are altered by public interventions.

(4) Longitudinal Survey of Youth Transition from School to Work

Much more needs to be learned about the process of transition from school to work, especially for youth likely to experience difficulties. The National Longitudinal Survey has been widely recognized as one of the most important research investments of the Department of Labor. Unfortunately, the survey focused on all youths and a multiple of questions so that it provided limited information on the way public institutions impacted on the development of disadvantaged youths. Many questions were raised which can be resolved by further study and improved design. It would, therefore, be useful to introduce a new longitudinal panel which would focus primarily on the disadvantaged and would examine their interaction with schools, manpower programs, and employment in much greater detail. It would be possible under a study directed primarily to persons with lower socioeconomic status to include a sample of persons already in employment and training projects. Many more would enter as the years passed. Initial estimates call for a total panel size of approximately 6000 males and 6000 females. The NLS questionnaires, as well as CPS forms, would be carefully tested in a small pilot study of intensive interviews with disadvantaged youths in order to avoid possible biases and misdirections in these questionnaires.

(5) Use of Nonprofit Corporations in Identifying, Nurturing and Replicating Exemplary Projects

There is some reliance in this knowledge development plan on the use of temporary nonprofit corporations with interdisciplinary boards which will identify quality programs and will permit nonpolitical decisions on the allocation of discretionary funds to projects and areas on the merit of proposals, and that it will maximize the knowledge development. There are presumed advantages in

marshalling talented individuals in the private sector to devote their energies on a voluntary and fee basis, and to flexibly address problems.

MDRC has already demonstrated that the mechanism can work in the replication of a given approach in a number of areas. It will be trying something new and far more ambitious in dealing with the Entitlement program, where there is much greater involvement with governmental decision-making units. The nonprofit corporations to be created to replicate an exemplary community improvement program and to support exemplary in-school programs, and, if feasible, to test private sector models, will provide further tests of this intermediary approach. The Ford Foundation is ready to support the initiation of these corporations.

It is important to assess the effectiveness of these new administrative and organizational mechanisms. The funds for such an assessment should probably come from the Ford Foundation which has taken a lead in this area, but the Department of Labor should participate in the development of this study.

(6) Mixing Youth Based on Family Income Level

The formula-funded YET programs are intended to serve young people with greatest need, but the YEDPA in Section 345 authorizes the use 10 percent of the funds under subpart 3 for programs which would include youth from all economic backgrounds. This provision was intended to test the desirability of broadening the opportunities for participation based on the premise that disadvantaged youth would benefit more where they worked and trained alongside the nondisadvantaged.

Prime sponsors who want to use 10 percent of their subpart 3 funds for nondisadvantaged youth will be permitted to do so on the condition that they agree to conduct an outcome study, meeting ETA specifications. These will assure a test of whether special benefits accrue when there is a variation in the family income levels and

backgrounds of participants. Reports will be required as part of the prime sponsor's year-end review. These reports will be assessed by the Office of Youth Programs, and the results synthesized, to determine the extent localities have been willing to experiment and the results of their efforts.

(7) Use of Occupational Information in Aiding Youth

The YEDPA amends Section 302 Section 4 of the Comprehensive Employment and Training Act of 1973 to require that at least $3 million of the Secretary's discretionary funds must be transferred annually to the National Occupational Information Coordinating Committee to carry out the provisions of Section 348 (c) (1) of the YEDPA.

In transferring these resources to NOICC, the Department of Labor will seek an agreement which spells out the ways in which the funds will be used, as YEDPA mandates, "to give special attention to the problems of unemployed youth." The aim is clearly to focus any resources under this section on issues which affect youth rather than to merely augment the development of general occupational information, delivery systems and coordinating mechanisms. Among the activities which will be encouraged are (a) a national survey of occupational information presentation at the secondary school level, (b) a structured test of the effectiveness of different types of information and delivery on the measured occupational awareness of youth; (c) a test of the impacts on disadvantaged youth from intensive exposure to occupational information as compared to those without special information.

(8) Technical Assistance for Youth Programs

The available ETA technical assistance funds must focus on these highly experimental and untried youth initiatives as well as the Job Corps augmentation. It is estimated however, that only $1.8 million of budgeted fiscal 1978 funds can be spared from other demands

within the agency and still leave a contingency fund. Preliminary estimates suggest that $1.5 million will be needed for YEDPA and $1.0 million for Job Corps, assuming a heavy reliance on existing TAT materials. It would therefore, be necessary to transfer $.7 million to the national Office of Technical Assistance and Training to add to the other funds set aside for youth. A detailed technical assistance plan, specifying purposes, strategies, materials, costs and administration will be developed by the Office of Youth Programs.

One of the cornerstones of this technical assistance effort will be a synthesis of the past experience with career development, employment and training programs, providing a theoretical and practical framework for the design of local activities. A group of experts will be commissioned to prepare this review.

V. REALIZING KNOWLEDGE DEVELOPMENT OBJECTIVES

This knowledge development plan is ambitious. It seeks to maximize the use of formula-funded and discretionary funds for learning purposes. It uses a wide variety of mechanisms to achieve these ends. It does not take the "safer" path of merely developing some general guidelines, passing the money out, and then commissioning evaluations after the fact. Knowledge development will be built in from the outset as a foundation.

A. Meeting Specific Legislative Requirements

The plan would carry out the specific mandates of Congress in the YEDPA:

1. To evaluate the program practices and outcomes of the formula-funded national programs for YACC, Community Improvement and YET.

2. To demonstrate the efficacy of guaranteeing employment during the school year and summer to disadvantaged youths, including assessments of costs, impact on school retention and completion, and determination of types of work.

3. To test the efficacy of a variety of subsidies to private-for-profit employers.

4. To assess and support arrangements with unions to enable youth to enter into apprenticeship training.

5. To test a variety of administrative mechanisms to facilitate an entitlement arrangement.

6. To provide entitlement to youths age 19 to 24 who have not received a high school diploma.

7. To test the importance of services in addition to employment entitlement.

8. To test aid to youths in the jurisdiction of the juvenile or criminal justice system.

9. To test the notion of the value of disciplined, structured work experience in community improvement.

10. To develop and assess new types of jobs in weatherization, energy conservation and neighborhood revitalization.

11. To develop methods of awarding academic credit for competencies gained in work experience.

12. To develop and support innovative, coordinated programs in school.

13. To test the benefits of mixing disadvantaged and nondisadvantaged clients.

14. To develop better occupational information and delivery mechanisms.

B. Addressing the Fundamental Issues

In broader terms, the knowledge development plan would help to resolve the fundamental policy issues which underlie youth employment policies.

1. The Entitlement program will demonstrate whether guaranteed employment will increase school retention and will promote a return to school by dropouts. The follow-up of participants and controls will suggest whether those youths who are discouraged from dropping out or encouraged to return will benefit over the longer run in terms of completion and subsequent employment. The longitudinal survey of mostly disadvantaged youth should also provide an indication whether otherwise similar completers and noncompleters have comparable labor market experiences subsequently.

2. The longitudinal study of disadvantaged youths should shed light on the school-to-work transition process. Likewise, the CLMS follow-up of in-school participants under YETP who are receiving a package of transition services should indicate whether these affect their future employability. The process evaluation of YETP will indicate the success of Youth Advisory Councils in achieving new institutional linkages. The field studies of education-work councils and the review of the literature should provide a preliminary indication of the effectiveness of these institutions, while the NIE evaluation will in several years provide a rigorous assessment. The work with occupational information should suggest the improvements in the delivery system and the best delivery approaches to provide youth the information they need to develop their career plans. Finally, the structured demonstration of alternative school-to-work delivery agents and approaches should shed further light on the operational issues and should indicate the most effective mechanisms.

3. Assessments of the "usefulness" and "meaningfulness" of work would come from a variety of sources. Agriculture and Interior will be reporting the estimated value of work performed under YACC, and the evaluation of the program will validate these estimates. Work valuation will be attempted under the Community Improvement replication model and the CDC approach. The theoretical and practical studies initiated with discretionary funds should provide a variety of perspectives on the output, organization and impacts of work.

4. The relative impact of supervised, disciplined work as opposed to a mixture of employment and services will be assessed in a general way by comparisons of YET and Community Improvement. The Community Improvement replication with its more rigorous control group approach would again test this notion. Finally, to the extent that the Service Mix Alternative demonstrations are undertaken, they would yield a number of tests in different areas of the relative effectiveness of these approaches.

5. The discretionary funds will be used to test a number of new or different service delivery approaches. These would include Entitlement, educational vouchers, various private sector initiatives diverse school-to-work transition arrangements, and alternative career education arrangements. Community Improvement will be conducted through ETA sponsors, CDC's, a nonprofit replication corporation, and federal interagency efforts. Such corporations, functioning as intermediaries in demonstration programs, will be tested in several different contexts. Likewise, there will be an effort to involve CETA prime sponsors in local demonstration and evaluation efforts to determine whether this function, which has traditionally been a Federal responsibility can be decentralized. The primary delivery agent is the CETA system, and where alternatives are utilized it is only on a demonstration basis to carefully assess comparative effectiveness, with the maximum feasible involvement of the CETA prime sponsors.

6. The longer-run impact of public interventions will be studied by the two longitudinal surveys. The national survey with an emphasis on the disadvantaged will be carefully structured to identify all contacts with the government programs and to assess differential outcomes. The more focused survey conducted in conjunction with the Entitlement program will trace the effects of school enrollment on future employability. The theoretical work on the labor market processes will review the literature and especially previous longitudinal studies to determine how employment, training and career development programs affect youth over the long-run.

7. The performance measures study will develop better outcome indicators which can be used to refine our knowledge about impacts on participants. The comparisons between and within programs, especially those based on the CLMS and the structured studies under Entitlement and discretionary projects, should indicate better the average impact of different approaches and who benefits most from each.

8. Estimates of the costs of fully employing youth will be derived from the theoretical work on youth labor markets. More directly, the Youth Service Demonstration and the Entitlement program will actually experiment with employment guarantees in a few localities, from which national estimates might be meaningfully projected.

9. The benefits of government programs will be more precisely measured. As mentioned previously, work valuation measures will be improved by a variety of means to indicate, at least crudely, the aggregate output of youth work experience activities. Impacts on school completion will be estimated, which may be used as a basis for projecting future employability. In several of the structured studies, involvement with the criminal justice system will also be assessed, yielding an estimate of any benefits from reduced crime. The opportunity costs will also be better understood as the theoretical and empirical work on youth transition processes is advanced.

C. Practical Considerations

The knowledge development plan has also been designed to balance the many competing interests and to operate most effectively in light of the constraints outlined at the outset.

The plan is balanced to test out ideas while minimizing the commitments to any of them or to delivery institutions so that when ready, Congress can make relatively free decisions about what direction it wants to move. For instance, emphasis on research and the use of specifically created research and demonstration intermediaries somewhat retards the programs being "locked in" in operational terms by attachment to a locality or delivery groups. On the other hand, there is an attempt to guarantee that targeted efforts are not swallowed up by the employment and training system which serves other needs as well.

By the same token, the plan will provide the groundwork for an eventual youth employment policy nationally and locally. Information on model programs of all sorts will be gathered, standardized and assessed. Localities will be supported in inventorying local youth efforts--in some cases for the first time. The best approaches will be determined and tested. Replication methodologies will be demonstrated which can be used to build on any new ideas or approaches which are discovered.

The plan would provide a balanced distribution of resources. In-school improvements envisioned under the 22 percent targeted segment of YET would be supported by the incentive discretionary money. Efforts for out-of-school youths would be fostered under the alternative career education approaches, the service mix alternatives demonstration, and the private sector initiatives. The Youth Service Demonstration and the Young Adult Conservation Corps would try to deal with all youths. At the same time, these efforts would generate interdepartmental cooperation with HEW, Commerce, HUD, ACTION, DOT, Interior and Agriculture. The actual choice of model programs would be made on the basis of demonstrated merit in most cases by interdisciplinary panels. This would avoid the competition for discretionary funds on purely political grounds. Community-based organizations will be represented on the nonprofit corporations dividing national research funds. Since these are national programs, those local CBO's of demonstrated merit which are not achieving due support may be funded where they have exemplary programs. CDC's will be funded directly under the Community Improvement experiment to test their relative effectiveness. Finally, OIC would be funded to extend and experiment with its highly successful Career Intern Program.

Overall, then, the plan will explore a broad range of issues, will build on and promote interdisciplinary and interagency cooperation, can be accomplished with limited staff, and will provide an objective and reasonable system for allocating funds. The plan meets the specific and general knowledge development mandates of the YEDPA. But perhaps most importantly, it is an action program which can be implemented rapidly, providing direct benefits to youths in need and requiring a minimal amount of funds to be spent on evaluation and basic research. Less than one percent of the expected $1.5 billion committed for fiscal 1978 will be used for research or evaluation purposes which do not involve the employment or direct delivery of services for youth. Even with this small amount, and even with the limited time for design and implementation, it is expected that we can make a substantial contribution to the understanding of youth employment problems and the best ways they can be overcome.

THIS PLAN IS SUBJECT TO FURTHER REVISION AS NEW NEEDS ARE PERCEIVED OR OBSTACLES ENCOUNTERED IN IMPLEMENTATION. IT DOES NOT REPRESENT A COMMITMENT OF PRIORITIES OR RESOURCES BUT IS RATHER A GENERAL BLUEPRINT OF ACTIVITIES UNDER THE YOUTH EMPLOYMENT AND DEMONSTRATION PROJECTS ACT OF 1977